

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE NORTHERN DISTRICT OF IOWA**

In re:) Chapter 11
MERCY HOSPITAL, IOWA CITY, IOWA, *et al.*,) Case No. 23-00623 (TJC)
Debtors.) Jointly Administered

**JOINT MOTION FOR ENTRY OF CONSENT ORDER (I) VACATING ORDER
GRANTING THE PRA MOTION AND (II) SETTING THE PRA MOTION FOR
HEARING**

Mercy Hospital, Iowa City, Iowa (“Mercy”) and certain of its affiliates and subsidiaries, as debtors and debtors-in-possession in the above-captioned chapter 11 cases (collectively, the “Debtors”) together with Progressive Rehabilitation Associates, LLC (“PRA”), hereby jointly move (the “Motion”) for entry of an order substantially in the form attached hereto as Exhibit A (the “Proposed Order”) vacating the Court’s *Order* [Docket No. 1003] (the “PRA Order”) and setting *Progressive Rehabilitation Associates’ Motion for Payment of Ordinary Course Invoices* [Docket No. 990] (the “PRA Motion”) for a telephonic hearing at the Court’s convenience. In support thereof, the Debtors and PRA (collectively, the “Parties”) respectfully represent as follows:

JURISDICTION AND VENUE

1. The Court has jurisdiction to consider this Motion pursuant to 28 U.S.C. §§ 157 and 1334 and the *Public Administrative Order* referring bankruptcy cases entered by the United States District Court for the Northern District of Iowa. This is a core proceeding under 28 U.S.C.

§ 157(b). Venue of these cases and the Motion in this District is proper under 28 U.S.C. §§ 1408 and 1409.

2. The legal predicates for the relief requested herein are section 105(a) of title 11 of the United States Code (the “Bankruptcy Code”) and Rule 9024 of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”).

3. The Parties confirm their consent to the entry of a final order by the Court in connection with the Motion in the event that it is later determined that the Court, absent consent of the parties, cannot enter final orders or judgments in connection herewith consistent with Article III of the United States Constitution.

BACKGROUND AND RELIEF REQUESTED

4. On August 7, 2023 (the “Petition Date”), each of the Debtors commenced a case by filing a petition for relief under chapter 11 of the Bankruptcy Code (collectively, the “Chapter 11 Cases”). The Chapter 11 Cases are being jointly administered for procedural purposes only.

5. The Debtors continue to operate their businesses and manage their properties as debtors and debtors-in-possession pursuant to Bankruptcy Code sections 1107(a) and 1108.

6. On April 26, 2024, PRA filed the PRA Motion requesting payment of certain invoices PRA alleges were incurred and unpaid.

7. Prior to filing the PRA Motion, counsel for the Debtors and PRA conferred regarding trying to consensually resolve the issues raised in the PRA Motion, but were unable to do so.

8. The Debtors intend on filing a resistance to the PRA Motion.

9. On May 2, 2024, the Court entered the PRA Order prior to the Debtors having an opportunity to resist the PRA Motion.

10. The Parties consent to the Court withdrawing the PRA Order so that the Debtors can file a resistance and the Court can hold a hearing on the issues raised in the PRA Motion.

11. Bankruptcy Rule 9024(a) incorporates Federal Rule of Civil Procedure 60. Bankr. R. Civ. P. 9014. Federal Rule of Civil Procedure 60(a) provides that the Court “may correct a clerical mistake or a mistake arising from oversight or omission whenever one is found in a judgment, order, or other part of the record.”

12. The Parties also request that the Court set the PRA Motion for a phone hearing at the Court’s convenience after the Debtors have had the opportunity to file a resistance to the PRA Motion. The Parties do not believe there are any factual disputes necessary for the Court to resolve.

13. A proposed order withdrawing the PRA Order and granting this Motion is attached hereto as **Exhibit A**.

NOTICE

14. The Debtors will provide notice of the Motion to: (a) the U.S. Trustee; (b) counsel for the Committee; (c) counsel for the Pension Committee; (d) the United States Attorney for the Northern District of Iowa; (e) the Centers for Medicare & Medicaid Services; (f) counsel for the Secured Bondholder Representative; and (g) all parties entitled to notice pursuant to Bankruptcy Rule 2002. The Debtors submit that no other or further notice is required.

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CONCLUSION

WHEREFORE, the Parties respectfully request that the Court enter the Proposed Order, substantially in the form attached hereto as **Exhibit A**, granting the relief requested herein and such other and further relief as may be just and proper.

Dated: May 2, 2024

NYEMASTER GOODE, P.C.

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CERTIFICATE OF SERVICE

The undersigned certifies, under penalty of perjury, that on this May 2, 2024, the foregoing document was electronically filed with the Clerk of Court using the Northern District of Iowa CM/ECF and the document was served electronically through the CM/ECF system to the parties of the Chapter 11 Cases.

/s/ Roy Leaf